

STATE OF IOWA
PROPERTY ASSESSMENT APPEAL BOARD

Eugene Wadle,
Appellant,

v.

Warren County Board of Review,
Appellee.

ORDER

Docket No. 13-91-0381
Parcel No. 51-020-04-0080

On August 14, 2014, the above-captioned appeal came on for hearing before the Iowa Property Assessment Appeal Board under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. Appellant Eugene Wadle was self-represented. Warren County Attorney Jon Criswell is counsel for the Board of Review; however, County Assessor Brian Arnold represented it at hearing. The Appeal Board now, having reviewed the record, heard the testimony, and being fully advised, finds:

Findings of Fact

Eugene Wadle is the owner of commercial property located at 121 East Maine Street, Lacona, Iowa. According to the property record card, the subject property was built in 1914 and is a one-story, block building with metal siding and 3456 square feet of gross building area. The building has low quality interior finish, no air conditioning, and the 864 square-foot back room has no heat. The improvements are in normal condition, have a below average quality construction grade (5+00), and have been given 60% physical depreciation. It is located on a 0.09 acre-site.

Wadle protested the January 1, 2013, assessment of \$48,800, representing \$7300 in land value and \$41,500 in improvement value, to the Board of Review. He claimed the property was assessed for more than authorized by law under section Iowa Code section 441.37(1)(a)(2). The Board of Review granted the protest, in part, and reduced the assessment to \$42,500, by lowering the improvement

value. Wadle then appealed to this Board on the same ground. He asserts the correct fair market value of the subject property is \$24,000.

Wadle testified he operated Lacona Hardware Store at the property until it closed in 2010. He explained between the combination of Lacona's steadily decreasing population and competition from large home improvement stores, the declining local economy could no longer support his business. He believes there is no retail market in Lacona, and properties similar to his are used mostly for storage. Wadle's exhibits showed the 2011 median income was roughly \$19,000 and the last building permit for new single-family housing was issued in 2004. (Exhibits 1 & 4).

Wadle now uses the property for personal storage and some remaining hardware inventory. He believes the property has negative attributes, including building access problems and a common wall with an adjacent community center, that make it worth less than its assessment. Wadle believes the property is only worth \$24,000 based on a recent, nearby sale of 108 East Main Street. He acknowledged that his property has more square feet than the first level of the 108 East Main building, but that property has additional square footage on the second floor, which he believes makes up for the difference. Wadle also identified a metal shop located at 304 South Vine that sold in October 2012, for \$28,500. He did not adjust either of the sales for differences to support a market value for his property..

Assessor Brian Arnold testified on behalf of the Board of Review. Arnold testified he did not value the subject property for retail use, and only valued it as a storage facility. Arnold also explained that the subject property has an overhead door, a loading dock, and a high entry door. He believes these entrances offer adequate building access.

At this Board's request, Arnold provided the property records cards for the two sales Wadle referenced. (Exhibits 7 & 8). He explained 108 East Main Street is a converted church and is in poor condition. The second floor space is a 297 square-foot mezzanine used for storage and a substantial

part of the first floor is taken up by three large staircases, which significantly reduce the functional utility of the building. The property is currently owned by a photographer for storage and studio use. Arnold also reported it does not have an overhead door like the subject. He also believes this property is inferior to the subject.

The property at 304 South Vine is substantially smaller, considerably newer, and is assessed at a higher rate per-square-foot footage than the subject property. He believes this property is superior to the subject. Arnold believed these two sales bracket and support the subject property's assessment.

Address	Year Built	Obsol	Condition	GBA	Acres	Date of Sale	Sale Price	SP SF	AV	AV SF
Subject	1914	30%	Normal	3456	0.090	N/A	N/A	N/A	\$42,500	\$12.30
108 E Main	1911	45%	Poor	2623	0.077	7/8/14	\$24,000	\$9.15	\$34,800	\$13.27
304 S Vine	1998	15%	Normal	1500	0.168	10/25/12	\$27,000	\$18.00	\$28,500	\$19.00

Conclusions of Law

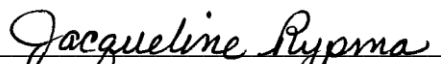
The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a). However, the taxpayer has the burden of proof. § 441.21(3). This burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Richards v. Hardin Cnty. Bd. of Review*, 393 N.W.2d 148, 151 (Iowa 1986).

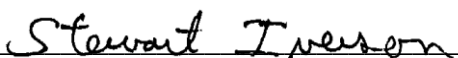
Property is to be valued at one hundred percent of its actual value. § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sales prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.*


In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2), there must be evidence that the assessment is excessive and the correct value of the property. *Boekeloo v. Bd. of Review of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). Here, it was Wadle's burden to show the subject property was over-assessed by establishing its fair market value as of January 1, 2013. Wadle's only evidence of the property's value was the two sales of storage properties in Lacona. However, according to Arnold, the properties vary in age, condition, gross building area, accessibility, and functionality. Wadle did not have any other evidence of market value to support his claim, such as an appraisal, adjusted comparable sales, or a comprehensive market analysis. Therefore, Wadle did not prove of the subject property's fair market value by a preponderance of evidence to support his claim of over-assessment.

THE APPEAL BOARD ORDERS the January 1, 2013, assessment of Eugene Wadle's property located in Lacona, Iowa, as determined by the Warren County Board of Review, is affirmed.

Dated this 12th day of September, 2014.


Jacqueline Rypma, Presiding Officer


Stewart Iverson, Board Chair


Karen Oberman, Board Member

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